
Increase in the Direct Voucher Threshold

September 7, 1999

MEMORANDUM

TO: Chief Financial Officers
All State Departments and Agencies

FROM: Leon E. Hank, Director
Office of Financial Management

SUBJECT: Increase in the Direct Voucher Threshold Related to the
Uniform Accounting and Reporting for Contractual Agreements
and Related Expenditures

I am writing to notify you about a policy revision for using direct vouchers in the MAIN-FACS system. This change updates guidance that was previously distributed in September 1997 to establish uniform accounting and reporting requirements for contractual agreements and related expenditures. This revision is intended to complement changes implemented by the Department of Management and Budget's (DMB) Office of Purchasing.

Effective October 1, 1999, all commodities and services that are not under the jurisdiction of the Department of Civil Service (DCS), with a total cost of **\$2,500** or less, may be exempted from the provisions of the September 1997 directive requiring a link between purchasing documents and related payments, if the commodity or service is not available on a contract issued by the Office of Purchasing for which a release document from a Blanket Purchase Order is required.

Similarly, a department or agency may elect to make a payment that is not linked to a purchasing document for services that are under the jurisdiction of DCS, with a total cost of **\$2,500** or less, if the department:

- Determines the payments are for unique, non-recurring personal service arrangements for which there is no purchasing document recorded in MAIN, and the department/agency determines that issuance of a purchasing document is not an appropriate business practice, and
- Maintains a system to accumulate expenditure data associated with these specific transactions for the annual reporting of contractual personal service expenditures.

Payments to vendors for these specified acquisitions may be issued using an ADPICS Direct Voucher which does not reference a blanket purchase order document. Departments and agencies must not circumvent the intent of this policy by dividing total orders and/or scheduling payments to vendors only to qualify for this exclusion.

If you have any questions on the above, please contact Mr. Steven R. Stier, Director of the Technical, Audit, and Business Services Division of the Office of Financial Management at (517) 241-0945.

cc: N. Duncan
D. Ancell
J. Slivensky

Appointing Authorities
Procurement Officers
Chief Accountants
Internal Auditors